



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, DECEMBER 13, 2006
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AT
(202) 514-2007
TDD (202) 514-1888

MAGAZINE PAPER PRODUCER INDICTED ON PRICE-FIXING CHARGE

WASHINGTON — A federal grand jury in Connecticut indicted Stora Enso North America Corporation (SENA), based in Wisconsin Rapids, Wisc., for allegedly participating in a price-fixing conspiracy involving the sale of magazine papers, the Department of Justice announced. SENA is a U.S.-based subsidiary of Stora Enso Oyj of Helsinki, Finland, the second largest magazine paper producer in the world.

This is the first charge filed as a result of an ongoing investigation into price fixing in the magazine paper industry.

In the indictment, the grand jury charged SENA with conspiring to fix the price at which certain brand name, coated publication papers were sold to customers throughout the United States from approximately Aug. 2002 through June 2003. The magazine papers were primarily used by customers in the production of magazines, news weeklies, and high-volume catalogues, such as Time, Reader's Digest, JCPenney and others. Billions of dollars worth of these types of magazine papers are sold in the United States annually.

The defendant is charged with carrying out the conspiracy by:

- Meeting and communicating with a competitor regarding the prices for magazine papers in the United States;
- Agreeing during those communications and meetings to increase the prices of magazine papers sold in the U.S.;
- Issuing price announcements for magazine papers in accordance with the agreement reached;
- Selling magazine papers to customers located throughout the U.S. at collusive and noncompetitive prices; and
- Accepting payment for magazine papers sold at collusive and noncompetitive prices.

"The price of coated paper used in magazines affects nearly every American," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. "Today's indictment underscores the Antitrust Division's resolve to continue to protect citizens from the effects of price fixing."

The defendant is charged with price-fixing in violation of the Sherman Act, which for violations occurring before June 22, 2004, carry a maximum fine of \$10 million for companies.

The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime if either of those amounts is greater than the statutory maximum fine.

The charges announced today stem from an ongoing investigation being conducted by the Antitrust Division's National Criminal Enforcement Section and the Federal Bureau of Investigation in Washington, D.C.

Anyone with information concerning price fixing in the magazine paper industry should contact the National Criminal Enforcement Section of the Antitrust Division at (202) 307-6694.

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